



FOR CLERK USE ONLY	
City Council	18A
Item No.	

CITY COUNCIL OF THE CITY OF CALEXICO FACT SHEET

Redevelopment Agency

Department

February 16, 2010

Requested Date

1. **Request:**

City Council approval	<input type="checkbox"/>	Information Only/ Presentation	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>	Hearing	<input type="checkbox"/>

2. **Requested Action:**

Direction regarding joining with the County of Imperial and other incorporated cities in Imperial County in submitting an application to the State of California Housing & Community Development to form one large Enterprise Zone that would include most commercial and industrial areas of Imperial County

3.

Cost:	Decrease	<input type="checkbox"/>	Amount:	_____
	Increase	<input type="checkbox"/>	Source:	_____
	Decrease	<input type="checkbox"/>	Amount:	_____
	Does Not Apply	<input checked="" type="checkbox"/>	Unknown at this time	

4. **Reviewed By:**

Finance Dept. on _____ By: _____
Comments: _____

City Attorney on _____ By: _____
Comments: _____

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.

CLERK USE ONLY

CITY COUNCIL DATE:

Action	<input type="checkbox"/>	Filing	<input type="checkbox"/>
Consent	<input type="checkbox"/>	Presentation	<input type="checkbox"/>
Hearing	<input type="checkbox"/>	Other(specify)	<input type="checkbox"/>

Reviewed by: City Clerk _____
Date _____

City Manager _____
Date _____

**JANUARY-DECEMBER 2009
CALEXICO-COUNTY EZ
HIRING CREDIT VOUCHER ACTIVITY**

	City of Calexico	Zone Total
<u>Number of Companies that Submitted Vouchers</u>	43	43
Small Companies (=<50 employees)	22	51%
Medium Companies (=>51 &= <500 employees)	0	0
Large Companies (=>501 employees/includes corporations with <u>multiple sites</u>)	21	49%
<u>Local vs Non-Local Businesses</u>		
# of Vouchers Submitted by Local Businesses	209	48.16%
# of Vouchers Submitted by Non-Locally Owned Business	225	51.84%
<u>Voucher Activity</u>		
Approved	411	411
Denied	23	23
Total	434	434

Wage Information

*Available Information from March 2009 thru Dec 2009

Average Hourly Rate	\$ 8.82	\$ 8.82
Average Hourly Rate Compared to Min. Wage (\$8.00)	110.25%	110.25%
High Hourly Rate	\$ 24.04	\$ 24.04
Low Hourly Rate	\$ 6.50	\$ 6.50

New vs Existing Job Information

*Available Information from March 2009 thru Dec 2009

New Positions	40	40
Percentage of New Positions	12.12%	12.12%
Existing Positions	282	282
Percentage of Existing Positions	85.45%	85.45%
Unknown	8	8
Percentage of Unknown	2.42%	2.42%
Total Positions	330	330

Employee Categories Vouchered:

*Available Information from March 2009 thru Dec 2009

CalWORKS	0	0
WIA	1	1
WOTC	6	6
Economically Disadvantaged	3	3
Dislocated Worker	2	2
Disabled Individual	0	0
Veteran	0	0
Ex-Offender	3	3
Public Assistance	0	0
Native American	0	0
TEA Resident	315	315
TOTAL	330	330

Annual Voucher Summary

Employee Residency:

**Available Information from March 2009 thru Dec 2009*

Calexico	293	293
Brawley	4	4
Holtville	1	1
Heber	1	1
El Centro	6	6
Calexico PO Box	23	23
Coachella	1	1
Imperial	1	1
Total	330	330

Report includes voucher activity for the Calexico County EZ and the expired Calexico EZ

Revised December 29 2009



Applications Received & Vouchers Issued 2009

As of December '09,

411

Vouchers were issued

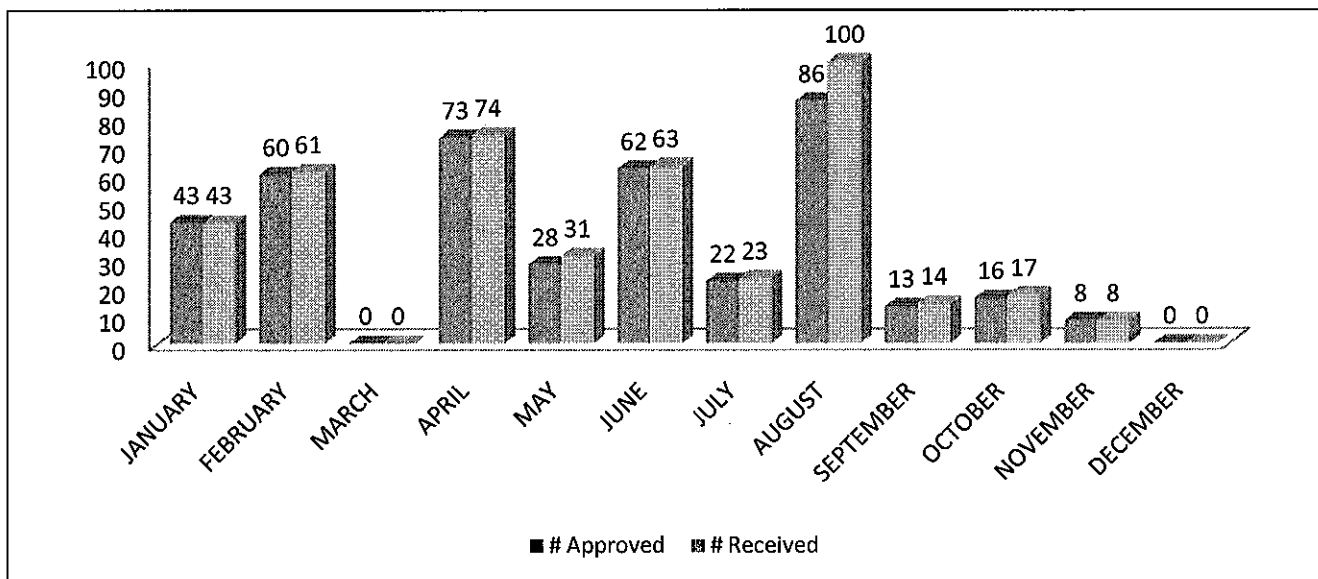
As of December '09,

434

Voucher applications were received

Source: CCEZ Tracking Sheet

Month	# Of Voucher's Issued	# Of Applications Received	# For Expired Zone
JANUARY	43	43	0
FEBRUARY	60	61	22
MARCH	0	0	0
APRIL	73	74	19
MAY	28	31	12
JUNE	62	63	32
JULY	22	23	14
AUGUST	86	100	39
SEPTEMBER	13	14	5
OCTOBER	16	17	9
NOVEMBER	8	8	3
DECEMBER	0	0	0
Totals	411	434	155





301 Heber Ave
Calexico, CA 92231
(760) 768-7190
www.calexico-countyez.com

To: Calexico City Council

Re: Formation of a Single County Wide Enterprise Zone

Action Requested:

Direction regarding joining with the County of Imperial and the other incorporated cities in Imperial County in submitting an application to the State of California Housing & Community Development (HCD) to form one large Enterprise Zone that would include most commercial and industrial areas of Imperial County.

Background:

The Joint Powers Authority directed the Calexico-County Enterprise Zone manager to inquire from the State of California HCD regarding merging the administration of the CCEZ and the Imperial Valley EZ. At that time, the state representative recommended that the two zones could merge and bring in other incorporated cities to apply for one large Enterprise Zone. This information was brought to the Joint Powers Authority.

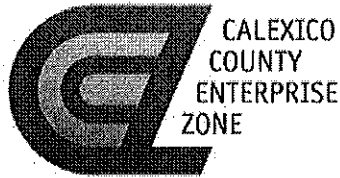
Since that time, John Nunn, the HCD Enterprise Zone Program Manager has visited Imperial County and toured the area. Mr. Nunn at that time expressed that the State supports the formation of one Enterprise Zone, since it would free up one additional designation for the state. HCD is limited to 42 Enterprise Zones statewide in California.

Combining Enterprise Zones to make a larger zone is a current trend in California. San Diego's current Enterprise Zone (45,000 + acres) was previously two Enterprise Zones. Most Enterprise Zones in the Central Valley are large, multi-jurisdictional Enterprise Zones.

The state will release the application guidelines late February, with a due date for the application August, 15 2010. So, that is why the issue has been brought to the City Council for direction.

If a single, county-wide Enterprise Zone were to be designated, all of the current Calexico-County Enterprise Zone area would be included. However, the expiration date of the area as an Enterprise Zone would be extended to 2025; the current CCEZ expires in 2021.

The Redevelopment Agency of Calexico currently contributes \$60,000 per year for the administration and marketing of the CCEZ. If a single, county-wide Enterprise Zone were to be designated, it is possible that amount would be less. That would be determined as the administration of the Enterprise Zone is negotiated.



Meeting Minutes

November 19, 2009

Calexico City Hall – Council Chambers

608 Heber Ave, Calexico CA

2:15 pm

Proceedings

The Calexico-County Enterprise Zone, Joint Powers Authority (CCEZ-JPA) meeting was held on November 19, 2009 at the Calexico City Hall – Council Chambers, 608 Heber Ave, Calexico CA.

Attendees

JPA Members

Rosalind Guerrero	City of Calexico
Victor Carrillo	City of Calexico
Jerry Santillan	Imperial County CEO
Jurg Heuberger	Imperial County Planning & Development Services
Anthony Sanchez	Imperial Irrigation District

Other Attendees

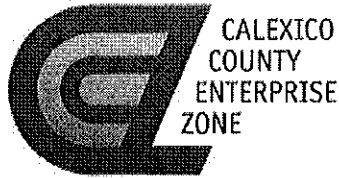
Daniel Fitzgerald	CCEZ Manager
Michelle Bastidas	CCEZ
Diane Cason	IVEZ Manager
Johanna Cazares	IVEZ
Esperanza Colio	ICPDS
Darrell Gardner	ICPDS
Cynthia Mancha	IVEDC
Teresa Santiago	City of Brawley
John Pierre Menvielle	IID
Francisco Gutiérrez	City of Calexico

I. Call meeting to order

The meeting was called to order at 2:23 pm

II. Roll call

Roll call was made and a quorum was present with all members of the JPA.



III. Approval of minutes - September 16th, 2009

Victor Carrillo made a motion to approve the minutes; the motion was seconded by Jurg Heuberger. The motion passed all Ayes.

IV. Approval of minutes – September 29th, 2009 Public Workshop

Jurg Heuberger made a motion to approve the minutes; the motion was seconded by Victor Carrillo. The motion passed all Ayes.

V. Informational: Manager's Report

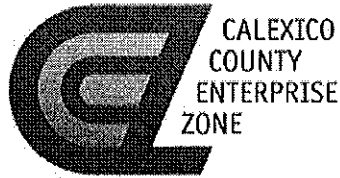
Mr. Fitzgerald reported that there had been more activity with the legislative front in terms of hearings and other activities that included Assemblyman Manuel Perez. On November 17th a roundtable discussion was held in Calexico at the Hometown Buffet. This was the first roundtable discussion held in the State so far. It was done to discuss how the Enterprise Zones affect local businesses. Rosalind Guerrero from the City of Calexico and Esperanza Colio from ICPDS attended the event. Mr. Fitzgerald said it had been good to talk about the Enterprise Zone from a local and more rural perspective. When discussions about the Enterprise Zones have taken place the areas that are mostly highlighted are San Jose, Los Angeles, and Long Beach while areas like the Imperial Valley are not so highlighted. He commented that the roundtable had been a very productive discussion.

Mr. Fitzgerald testified at the JEDE hearing held in San Diego and Carlton Hargrave from the local business, Hometown Buffet, also testified. Mr. Fitzgerald thanked Victor Carrillo for attending the hearing and supporting the Enterprise Zone while representing the JPA and the City of Calexico.

Mr. Fitzgerald spoke about AB 1159 that Assemblyman Manuel Perez will be promoting next year. This bill is very pro for the Enterprise Zones since it tries to expand the enterprise zone benefits to implementation of renewable energy products which pertain very well to the Imperial County. Mr. Fitzgerald will find out more information so that public entities can support the bill.

As for conferences and trade shows, Mr. Fitzgerald attended San Diego Economic Summit put on by South County EDC. He attended with Esperanza Colio from Imperial County and Diane Cason from IVEZ. Mr. Fitzgerald stated that this event was very informative.

Mr. Fitzgerald attended IEDC held in Reno. There were a lot of great sessions and trainings that Mr. Fitzgerald was able to learn from. Mr. Fitzgerald was able to make an excellent contact with a site consultant. The site consultant has expertise in food



processing and Mr. Fitzgerald was able to get valuable information from him to be able to attract those types of manufactures to the Imperial Valley.

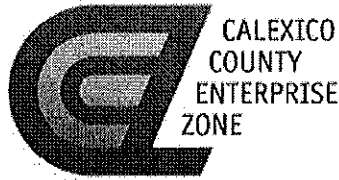
Mr. Fitzgerald attended the Vista Business Expo joint with IVEDC and IVEZ. They were able to network and generate 35 different leads. Mr. Fitzgerald met the Mayor and the Economic Development Director of Vista.

Mr. Fitzgerald attended the Solar Power International conference with Team CA and IVEDC. Mr. Fitzgerald stated it was a very impressive show. Through Team CA they were able to generate 280 leads and individually Mr. Fitzgerald generated an additional 186 leads. Mr. Fitzgerald was able to talk to a solar panel manufacturer interested in the Imperial Valley. They are currently located in Indio and are looking to establish their 2nd manufacturing facility. Mr. Fitzgerald is working jointly with IVEDC to show them the benefits that the Imperial Valley has to offer them. The manufacturing company is currently located in the Coachella Enterprise Zone and they are very interested in locating the new facility in another Enterprise Zone.

Mr. Fitzgerald attended the CAEZ annual conference. He thought it was an excellent conference. He was able to meet the newest Enterprise Zone Program Manager under HCD, Mr. John Nunn. Mr. Fitzgerald noted that he is a very impressive and dynamic individual. Mr. Fitzgerald thinks Mr. Nunn will be able to answer all of the legislative concerns and bring the Enterprise Zone program to where it needs to be. Mr. Fitzgerald was able to get a lot of information about the updates with the legislation. Since this has been a particular concern, the State is going to look at increasing the amount of recording and data collection so that HCD can easily justify the Enterprise Zone program when questions arise. Mr. Fitzgerald was a panelist on 'EZ 101' which was a presentation on setting up an Enterprise Zone.

Mr. Fitzgerald participated in a Webinar through IEDC. The Webinar was about marketing site consultants and it was very informative.

In terms of attraction Mr. Fitzgerald has worked with another solar manufacturer that was brought to him through the Green Technology Institute. Mr. Fitzgerald met with some Chinese investors joint with IVEDC. He had multiple meetings with an Aerospace company that is looking to expand their operations in Calexico. Victor Carrillo and Rosalind Guerrero were in one of the meetings and on November 18th Mr. Fitzgerald and Francisco Gutierrez met with them again. Mr. Fitzgerald said that the expansion is progressing well and that they are very interested in the Enterprise Zone benefits. Mr. Fitzgerald met, with the County of Imperial, an Indian Delegation set up by IVEDC. He also assisted in guiding a tour of the area for Abu Dhabi delegation. He was able to talk about the area and the benefits that are here.



Mr. Fitzgerald has continued to progress with the clothing manufacturer keeping the City's Redevelopment Agency and the County's Economic Development updated. Mr. Fitzgerald met with an individual that is looking to locate a truck parking facility in Calexico.

Mr. Fitzgerald had a tour of the Silicon Border Industrial Park. He was able to sit in on the training with Calexico EDC, IVEDC, and with the Export-Import Bank of the United States. Mr. Fitzgerald continues to work with Calexico EDC and IVEDC.

Mr. Fitzgerald worked on some joint advertisements with the City of Calexico to talk about the Enterprise Zone and the benefits of the border region. There was an ad in Twin Plant Magazine and another ad that will be placed in all the primary hotels in Mexicali and will be in place for 12 months.

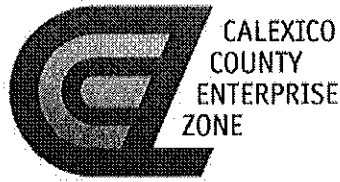
For retention Mr. Fitzgerald has been continuously working with the Calexico Business Improvement District and the Calexico Chamber of Commerce. Mr. Fitzgerald attended a ribbon cutting for three different businesses in Calexico. He has been working with the new Economic Research Institute of the Imperial Valley, a replacement for Sea Breeze. They gather a lot of economic information and are set up at SDSU-IV Campus. Mr. Fitzgerald finds it very useful when working on attracting, to have this sort of data available.

Mr. Fitzgerald has been working on training a couple of local accountants so that they understand the benefits and therefore they are able to tell their local clients. He will keep looking for these types of bookkeepers since they are the critical point for the local businesses. Mr. Fitzgerald had meetings with six different businesses.

Mr. Fitzgerald presented the voucher totals. As of November there were 408 vouchers issued with a total of 432 applications received. Mr. Fitzgerald noted that the last couple of months were a little light but he is expecting activity to pick up at the beginning of next year. Mr. Fitzgerald updated everyone on the survey being conducted to the businesses in Calexico. The survey is helping update the list of businesses in Calexico that are eligible for the Enterprise Zone benefits. As per the survey statistics he noted that there is a lot of work to be done to increase the awareness of the Enterprise Zone benefits.

Upcoming Mr. Fitzgerald will be helping host a tour for San Diego stakeholders of the Mega Region. Upcoming trade shows are Power-Gen Int'l, Renewable Energy World, and California League of Food Processing.

Jurg Heuberger asked Mr. Fitzgerald for clarification on vouchering. Mr. Heuberger wanted to know if the people from the City of Imperial were able to be vouchered. Mr.



Fitzgerald clarified that the residents of the City of Imperial cannot be vouchered through a TEA category. In order to qualify for the TEA category you must live in the Targeted Employment Area which includes addresses located in Calexico or in Brawley. Mr. Fitzgerald said he had recently vouchered employees that resided in El Centro. The easiest way to voucher an employee is through the TEA, basically if they live in Calexico or Brawley, they will qualify under TEA. There are 13 different categories to choose from including Veterans, Dislocated Worker (employees hired through the One Stop or EDD), Economically Disadvantaged (based on the number of the household and the household's total income), ex-convicts, and employees hired under Work Opportunity Tax Credit, to name a few.

Mr. Fitzgerald commented that when doing presentations County-wide like to the El Centro Chamber of Commerce and the Board of Realtors, he made sure to point out that employees throughout the whole County can be vouchered. Mr. Fitzgerald said that it would be good to not only gather data of the categories, but also track the City they live in. With this information the two Enterprise Zones, IID, and the County could show other cities throughout the County that their residents are also being vouchered and benefiting from the Enterprise Zone. Mr. Fitzgerald commented that he had met with Camilo Garcia, Employment Coordinator, from Sam Couchman's office to make sure that the Enterprise Zone is being communicated to the businesses that contact him.

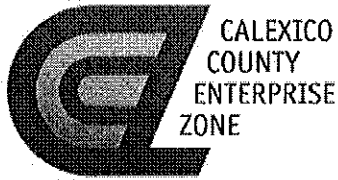
There was discussion about the benefits of collecting the data of where employees live so that the JPA could show the State and other cities in Imperial County that not only Calexico & Brawley residents are benefiting from the Enterprise Zone benefits, but the whole County. Also that it is important that businesses be informed of the other categories to qualify their employees. There was also discussion on exploring the idea of amending the TEA so that it could include other cities. Mr. Fitzgerald said he would find out more information and to see if this is possible.

VI. Informational: Financial Report - FY 2009-10

Mr. Fitzgerald presented the current budget. The budget reflected all claims as of November 16, 2009. Mr. Fitzgerald commented that the budget mirrored the County Auditors reports except for the \$43,000 contribution from the IID since he had not received a check from IID.

No questions came from the JPA.

VII. Discussion / Action: CCEZ Joint Powers Authority MOU Update to include Imperial Irrigation District.



The IID's staff had some questions when issuing this year's funding check since there is no funding arrangement when it comes to the IID and CCEZ. The current MOU for the CCEZ does not include the IID in terms of a funding portion. Mr. Fitzgerald was given direction to hand a copy of the current MOU to the County so that a new one is made to mirror that of IVEZ to include the IID. Once a new MOU is made then it will be presented to the entities involved for approval.

VIII. Discussion / Update / Action – FY 2009-10 Budget (Trade Shows)

Mr. Fitzgerald presented a list of the proposed trade shows that were presented at the public workshop. There was additional backup on information and breakdown on costs on three upcoming shows. The breakdown contribution included the amount of the booth cost that the CCEZ would pay. The three shows were Power-Gen being held in Las Vegas in December; Renewable Energy World being held in Austin, TX in February; and California League of Food Processing being held in Sacramento in February. Power-Gen has been attended in the past by IVEDC, Mr. Fitzgerald attended Renewable Energy World this year, and California League of Food Processing will be a first time attendance. Anthony Sanchez asked Mr. Fitzgerald if any of the solar power manufacturers used any water so that Mr. Fitzgerald could market those types of manufacturers since the Imperial Valley has available water. Mr. Fitzgerald said that the manufacturers he's seen so far are the assembly part and don't use a lot of water, but that he is always promoting the water availability to leads since it is a selling point for the Imperial Valley. Victor Carrillo made a motion to approve the three trade shows and was seconded by Jurg Heuberger. The motion passed all Ayes.

IX. Public Comments

Mr. Victor Carrillo announced that he had another meeting to attend so he could no longer stay and he welcomed everyone to Calexico. No other public comments were made.

X. Next Meeting Date & Location

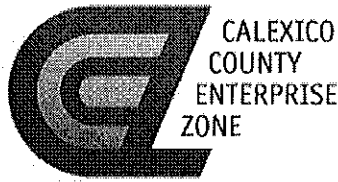
CCEZ JPA meeting will take place January 21, 2010 at the Brawley One Stop, 860 Main St., Brawley CA. The time for the CCEZ JPA meeting will be changed.

XI. Future Agenda items/Other business

Discussion and or updates on Enterprise Zone expansion/Joining of the Enterprise Zones' administration.

XII. Executive Session Item: Personnel Evaluation/Annual Review - Manager

Closed Session



Recess (IVEZ JPA Meeting proceeded)

XIII. Discussion (Joint with IVEZ JPA) – Combining the JPAs and Administration of both the IVEZ & CCEZ

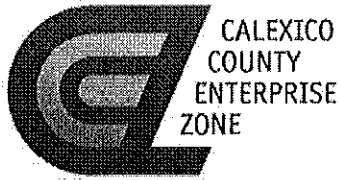
Mr. Heuberger clarified that when he made the suggestion to have this discussion, he wasn't trying to merge both Enterprise Zones into one. He was suggesting figuring a way of managing them under one administration. He also stated that he is not dissatisfied with either of the Zone Managers' performances and it is not the reason for the discussion. Mr. Heuberger stated that the County, IID, and the Cities spend one million dollars between three entities; IVEDC, IVEZ, and CCEZ. He suggested that the two Enterprise Zones be under one management structure so that the funds be used more efficiently. There are two managers and two clerical positions that work together but don't share the costs of having them in one office building. He feels that having one standard office and just one meeting will save time and resources and it could be something to work on for the long-term. Mr. Heuberger said he did not intend to have the managers come up with a way to eliminate their own position but rather take a look at it from a State perspective and figure out a way to use the funds more efficiently. He said for now we should continue as is, but really take a look at it for the long run.

Rosalind Guerrero had mentioned to Jurg Heuberger a while back that there should be one JPA for both of the zones. She never thought to join the zones, simply to have one JPA for both of them. Rosalind Guerrero agreed that we should explore the benefits that could come with these changes.

Mr. Santillan said he didn't understand why there are pockets throughout the whole County and in reality it should qualify for an Enterprise Zone as a whole. He believes the whole County should be one Enterprise Zone and it should be a plan for the long range. He suggested a list be made as to where they want to be at in the next 3 to 4 years so we can start working towards those goals.

After Diane Cason & Mr. Fitzgerald spoke to Mr. Nunn they deduced that HCD would consider expanding the geographic boundaries of both Enterprise Zones in order to convert them into one contiguous zone. The State would specifically look at the level of service and it is 'highly doubtful' that a decrease in funding be allowed.

Darrell Gardner agreed that if any agency is overlapping its efforts, then it makes sense to look at it and possibly have them join their efforts. He also agreed that it makes sense to have a larger enterprise zone. He said currently Diane Cason is concentrating on a group of people, while Daniel Fitzgerald is focused on a different group of people. They both have a lot of personal contact with their groups and to have to give that up



and have one director with two other people at a junior level concentrating on these groups would not be the best since they wouldn't provide the same level of service and he would be very concerned.

John Pierre Menvielle agreed on trying to be more efficient but he would have to be sure that whoever is representing the north end would take care of the south end equally and vice versa. He has no problem in trying to work something out since the County has a 35% unemployment rate and anything that can be done to lower that is great. He thinks it'll take a little while to get everything put together.

Diane Cason commented that it was an advantage to have an office in each City because people drop by all the time. People would be reluctant to drive all the way to Brawley or to El Centro if there was a standardized office.

Mr. Heuberger said that we are fortunate to have the availability of the One Stops, but they could go away. He agreed with John Pierre that it's not something that can be done today but it's something that should be looked at and start putting together. He said both of the managers do a good job but if they were in one office they might do a better job. He said it could end up being a staff of 5 people if they were all collectively under one place.

There was discussion on having a master plan to figure out what is best for the whole Valley. Jerry Santillan suggested they set a next step so that it is not left as just discussion. It was agreed to have staff gather information on what would need to be done to have a larger Enterprise Zone to include other cities in the County and if possible all the Imperial County. Mr. Fitzgerald said that the new application guidelines come out in February. Once that information is attained then they can follow the process and find out if the other Cities are willing to participate since it does cost money.

XIV. Meeting Adjourned

Meeting adjourned at 4:38 pm